

12-07-2004
AGENDA REPORTS

Agenda Item 5

City of Wichita
City Council Meeting
December 7, 2004

Agenda Report No. 04-1180

TO: Mayor and City Council
SUBJECT: Special Events
INITIATED BY: City Manager's Office
AGENDA: Consent

Recommendation: Approve the request for street closures.

Background: In accordance with the Special Events Procedure, event sponsors are to notify adjacent property owners and coordinate arrangements with Staff, subject to final approval by the City Council.

Analysis: The following street closure requests have been submitted:

Downtown Holiday Lighting - December 7 – 5:30 to 7:00 pm
§ McLean, 1st/2nd to Douglas
§ 1st/2nd, Waco to McLean
§ Douglas, Mclean to CII Drive
§ Waco at Douglas, with local traffic on Waco

Police security is arranged to remove blockades as necessary to allow emergency vehicle access during entire designated time period

Financial Consideration: Inasmuch as possible, event sponsors are responsible for all costs associated with special events.

Recommendation/Actions: It is recommended that the City Council approve the request subject to: (1) Event sponsors notifying every property and/or business adjoining any portion of the closed street; (2) Coordination of event arrangements with City Staff; (3) Hiring off-duty public safety officers as required by the Police Department; (4) Obtaining barricades to close the streets in accordance with requirements of Police, Fire and Public Works Department; (5) Submitting a Certificate of Insurance evidencing general liability insurance which covers the event and its related activities, including the naming of the City as an additional insured with respect to the event's use of the closed City streets.

(DEFERRED NOVEMBER 23, 2004)

City of Wichita
City Council Meeting
December 7, 2004

Agenda Report No. 04-1166A

TO: Mayor and Members of the City Council

SUBJECT: 2005 Property, Liability and Excess Workers'
Compensation Insurance Placement Services

INITIATED BY: Finance Department

AGENDA: Consent

Recommendation: Approve contract.

Background: The City Council directed staff to receive competitive bids for the City of Wichita's 2005 property, liability and excess workman's compensation insurance placement services.

The Request for Proposal (RFP) was issued through the City's Purchasing system. The RFP requested the vendor to:

- § Provide multiple quotes for each classification of risk protection purchased,
- § Assist City staff in understanding the nuances of each coverage suggested, the costs, the exclusions, limitations and similar details, and
- § Bring new information, legislation and new products and ideas for improvement to the City.

A summary of the Request for Proposal evaluation criteria is as follows:

1. The firm has demonstrated experience and expertise in the industry and experience with governmental operations.
2. The quality of professional staff assigned and adequacy of resources.
3. The firm's demonstrable access to insurance markets relevant to the City's operations.
4. The firm's philosophy of coverage is articulated; such as, will coverage be based on the previous year's business and activities or will it address changes in risk prior to incidents and claims.
5. The firm's philosophy on claims handling, mechanisms for apprising clients of the status of claims and litigation.

6. The ability of the firm to provide services within the required timeframes.
7. The efficacy and comprehensiveness of services offered relevant to the entire risk management program.

A Request For Proposal notice was published in the official newspaper on September 23, 2004, the RFP was placed on the City's e-Procurement web site and notices were mailed to 30 different firms across the United States. A total of five written proposals were received.

A 10 member Screening and Selection Committee was created to review the proposals. The Committee was comprised of representatives from: City Manager's Office; Department of Finance; Department of Law; Water and Sewer; Airport; Art Museum and Planning.

The Screening and Selection Committee reviewed all five written proposals and independently ranked each proposal based on the ranking criteria listed in the RFP. The top three firms were selected to make detailed presentations to the Screening and Selection Committee. The detailed presentations were held November 10, 2004. Following the detailed presentations, the Screening and Selection Committee independently ranked the presentations and proposals based on the ranking criteria listed in the RFP.

Analysis: The Screening and Selection Committee recommends award of the contract to the firm of Marsh USA based on the firm's demonstrated experience and expertise in the industry and experience with governmental operations.

Financial Considerations: The contract would be for a not to exceed fee of \$45,000. Funds are budgeted in the Self Insurance Fund to pay for a consultant. The City will not pay any regular commissions, contingent commissions or overrides.

Recommendation/Action: It is recommended the City Council approve the contract and authorize the appropriate signatures.

Agenda Item No. 7

City of Wichita
City Council Meeting
December 7, 2004

Agenda Report No. 04-1181

TO: Mayor and City Council

SUBJECT: Water Booster Pump Station Facility – West Maple (District V)
INITIATED BY: Water & Sewer Department
AGENDA: Consent

Recommendation: Approve the project.

Background: The 1999 Water Master Plan identified potential pressure problems in parts of the west Wichita water distribution system and growth areas in west Sedgwick County that were identified by the Metropolitan Area Planning Department (MAPD). Pressure complaints and accelerated growth in west Wichita have prompted the need to go forward with this project.

Analysis: On April 8, 2003, City Council approved a Water Master Plan Update. The firm of Burns & McDonnell was selected as consultant engineers for this update. In the process of updating the water distribution water model and analyzing the water distribution system, which includes the latest growth predictions by MAPD, they recommended a new booster pump station facility. The facility will be located near the existing 24-inch water main in Maple between 135th Street West and 151st Street West.

Burns & McDonnell recommend that the pump station be in operation prior to peak water usage periods during summer 2005. To assure that the pump station is constructed and operational prior to next summer's peak water usage, Staff recommends that an engineer/contractor team be selected according to Administrative Regulation #7.

Financial Considerations: Estimated cost for the project is \$650,000. Funds are available in W-65, Unidentified Mains, and will be transferred to a new project, CIP W-910 (135th West and Maple Inline Booster Station). There will be no increase in the CIP budget. The facility will be funded from Water Utility cash reserves or future revenue bonds.

Legal Considerations: Charter Ordinance 111 requires the City Council to approve the project as design/build before requests for proposals are sent.

Recommendations/Actions: It is recommended that the City Council: 1) approve the expenditures; 2) approve project as a design/build; 3) adopt the Resolution; 4) amend the CIP; and 5) authorize the necessary signatures.

Agenda Item #8

City of Wichita
City Council Meeting
December 7, 2004

Agenda Report No. 04-1182

TO: Mayor and City Council

SUBJECT: Office of Central Inspection Building Permit Fee Increase

INITIATED BY: Office of Central Inspection

AGENDA: Consent

Recommendation: Receive and file agenda item for Office of Central Inspection (OCI) building permit fee increase, to be effective January 1, 2005.

Background: OCI has been a self-sustaining Special Revenue Fund since 1984, and has received no money from the General Fund since that time. OCI is funded primarily through building construction permit fees, building plan review fees, and business licensing fees.

In 1995, the City Council adopted Resolution R-95-560. This Resolution set forth the intent of the Council with respect to OCI budget reserve levels, permit fee discounts or increases, and other matters pertaining to the continued operation of OCI as a Special Revenue Fund. A key component of Resolution R-95-560 was the City Council's stated intent to maintain the OCI operating budget cash reserve at an amount equal to between 3-4 months of the annual OCI expenditure budget. Per the Resolution, permit fees shall be discounted or increased to maintain this 3-4 month target reserve level.

Between February and December 2002, OCI provided a series of discounts to building permit fees (1985 fee tables adopted in Title 18 are the base level), with total reductions amounting to 45% of the previous fee levels. This was done in order to reduce the OCI cash operating reserve to an appropriate level. As of February 29, 2004, the operating reserve stood at 3.2 months of the 2004 annual OCI budget, and the 10% discount on the base building permit fees that was in effect at that time was removed.

Currently, the OCI operating reserve stands at 2.8 months of the 2004 approved OCI budget. In order to increase the operating reserve to a more appropriate reserve level over the next 6-9 months (3.5 months is the target), a 15% building permit fee increase is recommended, effective January 1, 2005.

Analysis: The Wichita Area Builders Association "Industry Board" (as set forth in Resolution R-95-560) has recently reviewed the OCI fund status, as well as the staff-proposed 15% building permit fee increase. On November 17, 2004, the Industry Board met with staff and voted unanimously to support implementation of the 15% fee increase, effective January 1, 2005.

Financial Considerations: The 15% permit fee increase will be implemented on January 1, 2005.

Legal Considerations: Formal City Council approval of building permit fee adjustments is not required by Resolution R-95-560. However, because the “base” building permit fee schedule is codified in Title 18, the Law Department recommends that the City Council review fee adjustments.

Recommendations/Actions: Receive and file report on 15% OCI building permit fee increase.

Agenda Item #9

City of Wichita
City Council Meeting
December 7, 2004

Agenda Report No. 04-1183

TO: Mayor and Council Members

SUBJECT: Safety Award Program

INITIATED BY: Department of Finance

AGENDA: Consent

Recommendation: Approve the safety award program.

Background: The City Safety Office serves primarily to reduce employee injuries and accidents, by providing the knowledge and equipment necessary to perform jobs as safely as possible. In addition to ensuring the health and welfare of employees, training that reduces employee injuries also serves to reduce City funded workers compensation costs. A component of the Safety Office program for several years has been the annual awarding of safety incentives. Incentives are a common practice and are widely believed to reduce workers compensation costs. In addition, they provide an important acknowledgment to staff that efforts to prevent accidents are important and appreciated.

The City program also rewards those who have not had an at-fault vehicle or equipment accident in the past year. The awards are geared primarily to field staff and those in other higher risk occupations (Police and Fire). In the past, safety awards have been in the \$10 –\$25 range for field staff, with smaller amounts spent on the less hazardous city occupations. The Safety Office also performs ergonomical evaluations and recommends appropriate equipment to prevent injuries. This is often as simple as a keyboard wrist rest or a more appropriate chair.

Analysis: To incentivize staff to prevent future accidents and to reward those that were injury and accident-free in 2004, staff is proposing an investment of approximately \$48,000 in safety awards. The proposed awards for field staff include a choice of either a \$25 gift card or \$25 in recreational services from City facilities. For non-field staff, an identification badge reel is proposed. In addition, staff is proposing the investment of up to \$15,000 to replace aging or inadequate office equipment (primarily chairs), mostly for field staff in the Police and Fire departments.

Financial Considerations: The proposed awards and office equipment should cost no more than \$63,000. Funding for safety awards is available and budgeted in the Adopted budget. Any replacement office equipment may require the budget transfer of savings from other areas in Self Insurance.

Legal Considerations: None.

Recommendation/Action: It is recommended that the City Council approve the safety award program and any necessary budget transfers.

Agenda Item No. 10a

CITY OF WICHITA
City Council Meeting
December 7, 2004

Agenda Report No. 04-1184

TO: Mayor and City Council Members

SUBJECT: Acquisition of Portions of the Abandoned Union Pacific Rail Corridor for the Midtown Greenway (District VI)

INITIATED BY: Office of Property Management

AGENDA: Consent

Recommendation: Approve the acquisitions.

Background: In 1999, the Union Pacific Railroad abandoned the rail corridor that runs from Central Avenue and Wichita Street to Broadway and 15th Street North. Through this abandonment, rights to the corridor reverted to the adjacent property owners on both sides. The City has reviewed the former corridor and decided that it could be utilized to

develop a greenway/lineal park connecting Horace Mann, Irving and Park Schools and the bicycle path on Central. In April 2002, the City Council approved \$74,000 in CDBG funding to acquire portions of the abandoned Union Pacific corridor from Central to 15th Street from adjacent property owners.

Analysis: Due to their size and configuration, the tracts being acquired are not developable by themselves. The majority of the tracts abut developed properties but lie outside the fenced, defined boundaries of the properties. The purchase price of similar tracts was reviewed to estimate market value. These amounts were offered to the adjacent property owners with several accepting the offers. The attached contracts represent five tracts with a total value of \$3,600.

Financial Considerations: A budget of \$3,700 is requested, consisting of \$3,600 for acquisition and \$100 for recording fees. The funding source is previously approved CDBG funds.

Legal Considerations: The Law Department has approved the contracts as to form.

Recommendation/Action: It is recommended that the City Council; 1) Approve the Budget; 2) Approve the Real Estate Purchase Contracts; and 3) Authorize all necessary signatures.

Agenda Item No. 10b

CITY OF WICHITA
City Council Meeting
December 7, 2004

Agenda Report No. 04-1185

TO: Mayor and City Council Members

SUBJECT: Acquisition of Part of 4910 E. Central for Central: Oliver to Woodlawn
(District I and II)

INITIATED BY: Office of Property Management

AGENDA: Consent

Recommendation: Approve the acquisition.

Background: On November 4, 2003 City Council approved a project to improve Central, between Oliver and Woodlawn. The improvement plans call for partial acquisitions of seven parcels. One of the required parcels is located at 4910 East Central. The acquisition requires a 737.5 square foot strip of land. The property has a tenant occupied retail building located on a 14,000 square foot site.

Analysis: The property owner has agreed to accept \$15,565 for the acquisition, temporary easement, loss of two parking spaces and relocation of his business sign. The building improvements will not be impacted by this acquisition.

Financial Considerations: The funding source for the City share of the project is General Obligation Bonds with Federal monies. A budget of \$16,400 is requested. This includes \$15,565 for the acquisition, and \$835 for closing costs and title insurance.

Legal Considerations: The Law Department has approved the contracts as to form.

Recommendation/Action: It is recommended that the City Council; 1) Approve the Budget; 2) Approve the Real Estate Purchase Contracts; and 3) Authorize all necessary signatures.

Agenda Item No. 10c

CITY OF WICHITA
City Council Meeting
December 7, 2004

Agenda Report No. 04-1186

TO: Mayor and City Council Members

SUBJECT: Acquisition of Part of 4802 E. Central for Central: Oliver to Woodlawn
(District I and II)

INITIATED BY: Office of Property Management

AGENDA: Consent

Recommendation: Approve the acquisition.

Background: On November 4, 2003 City Council approved a project to improve Central, between Oliver and Woodlawn. The improvement plans call for partial acquisitions of seven parcels. One of the required parcels is located at 4802 East Central. The acquisition requires a 218.6 square foot strip of land. The property has a tenant occupied retail building located on a 18,730 square foot site.

Analysis: The property acquisition and temporary easement were valued at \$1,355. The property owner has agreed to accept \$6,270 for the acquisition, temporary easement and the loss of two parking spaces. The building improvements will not be impacted by this acquisition.

Financial Considerations: The funding source for the City share of the project is General Obligation Bonds with Federal monies. A budget of \$7,000 is requested. This includes \$6,270 for the acquisition, and \$730 for closing costs and title insurance.

Legal Considerations: The Law Department has approved the contracts as to form.

Recommendation/Action: It is recommended that the City Council; 1) Approve the Budget; 2) Approve the Real Estate Purchase Contracts; and 3) Authorize all necessary signatures.

Agenda Item No. 11a

CITY OF WICHITA
City Council Meeting
December 7, 2004

Agenda Report No. 04-1187

TO: Mayor and City Council Members

SUBJECT: Sale of Surplus Property Located the Southwest Corner of Hillside and 33rd Street North (District I)

INITIATED BY: Office of Property Management

AGENDA: Consent

Recommendation: Approve the sale.

Background: An offer has been received for the City-owned parcel located at the southwest corner of Hillside and 33rd Street North. The property has 82,354.29 square feet and is currently undeveloped. The site is zoned Light Industrial. The property was immediately east of Public Work's Northeast Maintenance Substation. This tract has been declared surplus to the needs of the substation..

Analysis: The property has been offered for sale since 1993. It was included in last years marketing program with a suggested minimum price of \$3.00 per square foot. The highest offer received during the marketing period was \$.91 per square foot. An offer of \$164,700 (\$2.00 per square foot) has been received. The buyer plans to relocate his motor coach company and lawn service to Wichita from El Dorado.

Financial Considerations: The City will receive cash consideration from the sale of the property at closing. In addition, it will return to the tax rolls and the City will be relieved of maintenance costs.

Legal Considerations: The Law Department has approved the contracts as to form.

Recommendation/Action: It is recommended that the City Council; 1) Approve the Real Estate Purchase Contracts; and 2) Authorize all necessary signatures.

Agenda Item No. 11b

CITY OF WICHITA
City Council Meeting
December 7, 2004

Agenda Report No. 04-1188

TO: Mayor and City Council Members

SUBJECT: Sale of Surplus Property Located the Northeast Corner of Seneca and McCormick (District IV)

INITIATED BY: Office of Property Management

AGENDA: Consent

Recommendation: Approve the sale.

Background: An offer has been received for the City-owned remnant located at the northeast corner of Seneca and McCormick. The property has 5,100 square feet and is

currently undeveloped. The site is zoned Limited Commercial. The property was acquired for the widening and improvement of the Seneca/McCormick intersection. The improvements were removed and approximately two-thirds of the site was utilized for the project.

Analysis: The property has been offered for sale since 1996. Due to its small size and irregular configuration, the site can only be utilized by an adjacent owner. An offer of \$4,000 has been received from the property owner to the east. The buyer plans to use the site for parking or possibly a garage to support his existing building.

Financial Considerations: The City will receive cash consideration from the sale of the property at closing. In addition, it will return to the tax rolls and the City will be relieved of maintenance costs.

Legal Considerations: The Law Department has approved the contracts as to form.

Recommendation/Action: It is recommended that the City Council; 1) Approve the Real Estate Purchase Contracts; and 2) Authorize all necessary signatures.

REVISED

Agenda Item 13.

City of Wichita
City Council Meeting
December 7, 2004

Agenda Report 04-1189

TO: Mayor and City Council

SUBJECT: Reconsideration of Letter of Intent for Industrial Revenue Bonds
(Genesis Health Clubs) (District V & VI)

INITIATED BY: Finance Department

AGENDA: New Business

RECOMMENDATION: Take appropriate action.

BACKGROUND: On July 13, 2004 the City Council approved the issuance of a one-year letter of intent for industrial revenue bonds ("IRBs") for Genesis Health Clubs ("Genesis") in an amount not to exceed \$11,850,000. Bond proceeds are to be used to finance the cost of acquiring, constructing and equipping two new health club facilities in west Wichita, one at 3725 W. 13th and one at the northwest corner of 29th Street North & Maize Road, and to expand its existing health club at 854 N. Socora. Genesis has

committed to add 100 new employees to its Wichita workforce within ten years. The City Council also granted a 50% five-year tax exemption on bond-financed property, plus a second five-year exemption upon City Council review and approval.

On November 2, 2004, the City Council voted to deny a request for an IRB letter of intent and tax abatement from Fitness 2000 Health Clubs, for a project that is smaller but similar to that of Genesis.

On November 16, 2004, the City Council approved a revised Economic Development Incentive Policy that establishes new guidelines for recommending the approval of incentives, including IRBs and property tax abatements. Under the new policy, staff would have recommended against approval of the Genesis letter of intent. In light of the new policy and the action to deny the Fitness 2000 letter of intent, several City Council Members have sought to have the Genesis IRB letter of intent reconsidered.

ANALYSIS: The Industrial Revenue Bond Policy and Business Incentive Policy were in effect at the time of the City Council's approval of the Genesis letter of intent. Under these policies, a service company (such as Genesis) could receive IRBs and property tax abatement, at the sole discretion of the City Council. The amount of property tax abatement, as a percentage, was determined by a formula that recognized the economic development value of exporting goods and services outside the local market area, which brings new wealth into the local economy. Under the former policy, a company that does not export any of its goods or services cannot receive more than a 50% property tax abatement. The City Council's action on the Genesis letter of intent conforms to this policy.

In spite of this policy, it had not been the recent practice of the City Council to approve property tax abatements for service businesses. Since 1998, only nine non-manufacturing companies have received property tax abatements. Of those, three are national corporate headquarters, two are in-bound call centers, one is a regional distribution center, one is an international pilot training business and one is a downtown hotel. All of these businesses clearly earn a majority of their income from activities or visitors from outside the Wichita area. Only the Eaton Place received a property tax abatement and does not directly bring new wealth into the economy.

Under the new policy, this emphasis on new wealth generation has been further expanded. Service businesses, distribution centers, corporate headquarters, transportation services, tourism facilities and medical services may receive economic development incentives only if a majority of the businesses' revenues results from transactions originating outside the Wichita area, or from visitors (or patients) from outside the area.

FINANCIAL CONSIDERATIONS: The estimated first year's taxes on Genesis' proposed \$11,850,000 expansion would be \$136,356, on real property improvements and \$27,388 on personal property, based on the 2003 mill levy. The tax exemption would be shared among the taxing entities as follows: City - \$45,976; County/State - \$43,687; and USD 259 - \$74,080.

The total tax abatement will be reduced by a \$22,000 per year payment-in-lieu-taxes.

Purchases financed with industrial revenue bonds are generally exempt from state and local sales tax. Use of IRBs would save Genesis an estimated \$460,000 in sales tax, of which \$73,000 would be county sales tax.

LEGAL CONSIDERATIONS: The Department of Law has advised that there is no legal impediment to the City Council's reconsideration of its prior action to approve the Genesis letter of intent and property tax abatement. The City Council would have had to reconsider the property tax abatement in any case, since the statutorily required cost-benefit analysis failed to consider the impact of the project on the Maize school district, where one of the new facilities will be located.

RECOMMENDATIONS/ACTIONS: It is recommended that the City Council take appropriate action.

Agenda Item #14

City of Wichita
City Council Meeting
December 7, 2004

Agenda Report No. 04-1190

TO: Mayor and City Council Members

SUBJECT: SUB 2004-83 -- Plat of Clarkdale Fourth Addition, Located North of 63rd Street South and on the East Side of Seneca. (District IV)

INITIATED BY: Metropolitan Area Planning Department

AGENDA ACTION: Planning (Consent)

Staff Recommendation: Approve the plat.

MAPC Recommendation: Approve the plat. (9-0)

Background: This replat, consisting of one lot on .94 acres, is located within Wichita's city limits. A zone change (ZON 2002-73) from "GC" General Commercial District and "SF-5" Single-Family Residential District to "OW" Office Warehouse District has been approved.

Analysis: Water services are available to serve the site. A Petition, 100% percent, and a Certificate of Petition have been submitted for the future extension of sanitary sewer

services. The City Environmental Health Department has approved on-site sewer facilities. As requested by Traffic Engineering, a Cross-lot Access Agreement with the commercial property to the north has been submitted to allow access to the rear of the property.

This plat has been reviewed and approved by the Planning Commission, subject to conditions and recording within 30 days. Publication of the Ordinance should be withheld until the Plat is recorded with the Register of Deeds.

Legal Considerations: The Certificate of Petition and Cross-lot Access Agreement will be recorded with the Register of Deeds.

Recommendations/Actions: It is recommended that the City Council approve the documents and plat, authorize the necessary signatures, adopt the Resolution and approve first reading of the Ordinance.

Agenda Item

#15

City of Wichita
City Council Meeting
December 7, 2004

Agenda Report No. 04-1191

TO: Mayor and City Council Members

SUBJECT: SUB 2004-97 -- Plat of The Fairmont Third Addition, Located on the West Side of 127th Street East and North of 21st Street North. (District II)

INITIATED BY: Metropolitan Area Planning Department

AGENDA ACTION: Planning (Consent)

Staff Recommendation: Approve the plat.

MAPC Recommendation: Approve the plat. (11-0)

Background: This unplatted site, consisting of 43 lots on 13.71 acres, is located within Wichita's city limits and is zoned MF-18, Multi-family Residential District.

Analysis: Petitions, 100 percent, and a Certificate of Petitions have been submitted for sewer, water, paving, drainage and left-turn lane improvements. Since this plat proposes

the platting of narrow street right-of-way with adjacent 15-foot street drainage and utility easements, a Restrictive Covenant was submitted that outlines restrictions for lot-owner use of these easements. Also, Restrictive Covenants were submitted to: a) provide four off-street parking spaces per dwelling unit on each lot that abuts a 58-foot street; and b) allow the creation of a homeowner's association to provide for the ownership and maintenance of the reserves.

This plat has been reviewed and approved by the Planning Commission, subject to conditions and recording within thirty (30) days.

Legal Considerations: The Certificate of Petitions and Restrictive Covenants will be recorded with the Register of Deeds.

Recommendations/Actions: Approve the documents and plat, authorize the necessary signatures and adopt the Resolutions.

Agenda Item No. 16

City of Wichita
City Council Meeting
December 7, 2004

Agenda Report No. 04-1192

TO: Mayor and City Council Members

SUBJECT: WaterWalk Redevelopment Project, Memorandum of Agreement
with State Historic Preservation Office

INITIATED BY: Metropolitan Area Planning Department

AGENDA ACTION: Planning (Consent)

Staff Recommendation: Authorize the Mayor to sign the Memorandum of Agreement

Background: As part of the funding for the WaterWalk Redevelopment Project, the City submitted an application to the Economic Development Administration. As a result, an environmental review of the project area was conducted, which caused the City's Historic Preservation Office to submit an inventory of structures within the project area to the State Historic Preservation Office. The SHPO identified structures that are potentially eligible for listing in the National Register, and requested that a Section 106 Review be conducted.

The Section 106 Review evaluated the proposed project's impact upon the structures eligible for listing, and evaluated if there were any alternatives or options to the proposed project, and if not, were there ways to memorialize the structures and their historic context. A public hearing was held on April 5, 2004, to consider all options to avoid demolition or to minimize damage to the buildings. The City considered all options presented, and found no feasible method of incorporating the structures within the WaterWalk Redevelopment Project.

The City Council approved a Memorandum of Agreement on July 1, 2004, which was sent to the State Historic Preservation Office for their signature. The SHPO requested additional documentation to ensure that the City had complied with the Section 106 Review process. That process has been completed and adjustments were made to the MOA to more clearly reflect the agreement between the City and the SHPO regarding the steps that were taken to comply with Section 106 Review.

Financial Considerations: A consultant, meeting the Secretary of Interior's Preservation Planner Qualifications Standards, will need to be hired to implement the mitigation activities outlined in the Memorandum of Agreement. The cost to hire the consultant and to develop the mitigation products is provided in the current project budget.

Legal Consideration: The revised Memorandum of Agreement has been drafted in accordance with stipulations set forth in 36 CFR 800 and has been approved as to form by the Law Department.

Recommendations/Actions: Authorize the Mayor to sign the Memorandum of Agreement
Attachment
Memorandum of Agreement

Agenda Item No. 17

City of Wichita
City Council Meeting
December 7, 2004

Agenda Report No. 04-1193

TO: Wichita Airport Authority

SUBJECT: Payment of Condemnation Award (Case No. 03 CV 3655)—Jabara
Airport Runway Protection

INITIATED BY: Law Department

AGENDA: Wichita Airport Authority (consent)

Recommendation: Authorize payment of the appraisers' award, together with appraisers' fees and court costs.

Background: The Airport Authority has identified the need to acquire a tract of land located north of the Jabara Airport runway in order to provide necessary runway protection as required by the FAA. This tract of land is owned by the City of Bel Aire. Earlier this year the City initiated eminent domain proceedings to acquire this property. On November 4, 2004, the court appointed appraisers filed their award. They determined the compensation to be paid for the acquisition of the property to be \$270,000.00. The court awarded the three appraisers fees in the amount of \$500.00 each. Court costs are \$111.

Analysis: In order for the Airport Authority to acquire this property, it must pay the award, together with fees and costs, to the Clerk of the District Court on or before December 24, 2004.

Financial Considerations: The costs of acquiring these properties will be paid from Airport Authority project funds. A budget of \$280,000 is requested. This includes \$271,611 for the acquisition and \$8,389 for closing costs, environmental testing, survey and title insurance.

Legal Considerations: The Airport Authority has until December 24, 2004, to decide whether or not to acquire the property. If payment is not made to the Clerk by that date, the eminent domain is deemed abandoned.

Recommendations/Actions: It is recommended that the Wichita Airport Authority; 1) Approve the budget; 2) Adopt the bonding resolution; and 3) Authorize payment to the Clerk of the District Court in the amount of \$271,611 for acquisition of property interests condemned in Case No. 03 CV 3655.